

**MAKE-A-WISH FOUNDATION® UK**  
**(Company Limited by Guarantee)**

**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

Charity Registration Number (England and Wales): 295672

Charity Registration Number (Scotland): SC037479

Company Number: 2031836

**MAKE-A-WISH FOUNDATION® UK  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2016**

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**MAKE-A-WISH FOUNDATION® UK**  
**REPORT OF THE TRUSTEES**  
**YEAR ENDED 31 DECEMBER 2016**

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The Trustees, who are also directors and members of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and the group for the year ended 31 December 2016. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

**REFERENCE AND ADMINISTRATIVE DETAILS**

Registered Company Number

2031836 (England and Wales)

Registered Charity Numbers

295672 (England and Wales)

SC037479 (Scotland)

Principal & Registered Office

329 - 331 London Road

Camberley

Surrey

GU15 3HQ

Trustees

Per Harkjaer

Chairman

Pippa Carte

Jim Cook

Tim Cook

Resigned 04/04/2016

Susan Gent

Zafar Khan

Resigned 17/11/2016

David Hockley

John Orriss

Graham Stapleton

Damian Thornton

Appointed 06/02/2017

Key Personnel and Senior Management Team

Jason Suckley

Chief Executive

Fiona Brydon

Head of Communications - until 31/12/2016

Jose Martinez

Director of Digital & Marketing - joined 11/04/2016

Lynne Mackintosh

Director of Finance - left 15/04/2016

Aileen Feeney

Director of Finance - 13/06/2016 to 18/01/2017

Elizabeth Sell

Interim Director of Finance - joined 05/12/2016

Joanne Micklewright

Director of Wishgranting

Nicky Bishop

Interim Director of Fundraising - left 10/05/2016

Alice Collins

Director of Fundraising - joined 18/04/2016

Aileen Feeney

Interim Director of Operations - 11/01/2016 - 12/06/2016

Mark Curtin

Director of Operations - joined 04/04/2016

Marcus Lee

Director of HR & Volunteering - joined 16/02/2016

Company Secretary

L P Mackintosh

Resigned 15/04/2016

Lisa Taylor

Appointed 15/04/2016

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Auditors

haysmacintyre  
26 Red Lion Square  
London  
WC1R 4AG

Solicitors

Penningtons  
Highfield  
Brighton Road  
Godalming  
Surrey GU7 1NS

Principal Bankers

National Westminster Bank Plc  
Ground Floor  
200 Fowler Avenue  
IQ Farnborough  
Farnborough  
Hampshire  
GU14 7JP

Investment Managers

Barclays Wealth  
1 Churchill Place  
Canary Wharf  
London  
E14 5HP

## **CHAIRMAN'S STATEMENT**

In 2016 we granted the wishes of 984 children in the UK, more than ever before and 130 more than in 2015. In addition, we granted a total of 141 wish assists for children from across the world who chose for their wish to take place in the UK, another record for Make-A-Wish.

At the end of 2015, Make-A-Wish® UK benefitted from being one of the charity partners for ITV's Text Santa Christmas appeal from which we received £3.2m. We entered 2016 in discussions with ITV about establishing a multi-year agreement. In April, ITV made the decision to discontinue Text Santa so we reduced planned expenditure in some areas and appropriately adjusted our targets. Whilst the benefits from Text Santa ultimately proved to be a one-off, it still provided us with the opportunity to invest in the growth of our wishes.

Excluding Text Santa and legacy income, our fundraising income grew by around £980k, representing 21% growth. We aim to achieve sustainable growth by establishing a diversified range of income sources. It's therefore particularly pleasing that income grew across a number of fundraising areas, including Corporates, Community Fundraising, Events and Individual Giving and we are grateful to all those who gave their financial support. This included the acquisition of a number of new corporate partnerships, the majority of which we are confident we will retain into 2017, and the most successful ever Make-A-Wish Winter Ball.

We would also like to thank all of our volunteers who have always played an important role in helping Make-A-Wish grant the wishes of children facing life-threatening conditions. As we grow, this role becomes ever more significant. As a result of the recruitment and engagement activities undertaken in 2016, the total number of hours contributed to the charity by volunteers more than doubled. Our Community Fundraising, which is dependent upon the work of volunteers across the UK, grew by 34% compared to the previous year. There is no doubt that our future success lies in placing volunteers at the heart of everything we do.

In addition to generating more resources to grant wishes, we have taken steps to ensure we utilise these resources as effectively as possible. In 2016 this included the installation of a new system to help us deliver wishes in a more efficient manner. We have also started the process of purchasing services in support of our wishes in a more cost effective way.

The Trustees recognised that the targets set in the 2017-19 Strategic Plan required investment in the Senior Management Team to bring the leadership and experience that can deliver our goals. A staff restructure during the year also resulted in a small number of redundancies as we shaped the organisation that we believe will enable sustainable growth in the next few years.

At the end of 2016 we held nearly £5.2m in reserves. This equates to around 7 months operating costs. Having incurred an operating deficit in 2016, we are seeking to generate sustainable income streams in 2017 whilst continuing to grow the number of wishes we grant and increasing the impact of every wish.

Our mission is simple and we are driven by the needs of each child that turns to us. Everything we do is based on the need to enrich the lives of these children in the most magical, transformational and sustainable way possible.



P Harkjaer  
Chairman

Date: 24 MARCH 2017

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The charity was incorporated on 26 June 1986 and amended by a Special Resolution dated 17 December 2007. It is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

### **Recruitment, Appointment and Induction of New Trustees**

The company's Articles of Association provide for a minimum of four and maximum of fifteen Trustees and where there is a requirement for new Trustees, these would be recruited and appointed by the Chairman and existing Trustees. The Chairman and Chief Executive are responsible for the induction of any new Trustees, which involves awareness of a Trustee's responsibilities, the history and philosophical approach of the charity, and meetings with senior staff members.

### **Organisational Structure**

The Trustees delegate the day-to-day running of the charity to the Chief Executive and he, in turn, works with senior managers across the organisation. In terms of decision-making, the Trustees' main contribution is at a strategic level, with the finances of the organisation given greater scrutiny by the Finance and Performance Committee and wishes formally ratified by the authorised Trustee.

Key management salaries are benchmarked against similar roles in the same sector and in addition we have a policy that the highest paid employee's remuneration will not be greater than 5 times the lowest paid full time equivalent.

The Head Office is in Camberley, Surrey, where the majority of employees are based. In addition, there are home-based Regional Fundraising Managers working remotely.

Make-A-Wish Foundation UK has a wholly-owned subsidiary, Make-A-Wish Promotions Limited which, in effect, is the trading division of the charity. All operating profits of Make-A-Wish Promotions are gifted to Make-A-Wish Foundation UK.

### **Make-A-Wish Foundation International**

Make-A-Wish Foundation UK is affiliated to Make-A-Wish Foundation International and, as such, is a member of the largest wishgranting network in the world: Make-A-Wish Foundations now cover nearly 50 different countries across the globe. Make-A-Wish Foundation UK licenses the name Make-A-Wish and associated marks from Make-A-Wish Foundation International (MAWFI), which in turn licenses the name from Make-A-Wish Foundation of America (MAWFA). Both MAWFI and MAWFA are non-profit 501(c)(3) organisations in the United States.

### **Related Parties**

There are no related parties.

## **STRATEGIC REPORT**

### **OBJECTIVES AND ACTIVITIES**

#### **Mission and Goals**

**Make-A-Wish Foundation® UK grants magical wishes to enrich the lives of children and young people fighting life-threatening conditions. In order to do this, we have several strategic goals:**

- **Every wish has more of an impact on the child and their family** – We have been doing an evaluation of the wish journey and working to enhance this.
- **To grant a wish for every eligible child** – In 2016 we granted 984 wishes – more than ever before. Since we were established in 1986, we have granted 11,113 wishes to UK children. We have hosted a further 1,394 children, from sister organisations across the world, whose wishes involved a visit to the UK.
- **More people believing every eligible child needs a wish** – In 2016 we were announced as being number 27 in the Charity Brand Index, the highest position we've ever been.
- **Accelerated, sustainable growth of income and resources** – We have seen a 5% increase in total income excluding Text Santa, and a 21% increase in Fundraising income excluding Text Santa and legacies.

To enable us to help as many children and young people as possible by granting their One True Wish, we carry out a programme of fundraising activities. The aim of these activities is to generate enough funds to meet current demand and maintain appropriate cash reserves to cover future foreseeable needs by allocating funds in the year we make a commitment to the child.

#### **Public Benefit**

The Trustees confirm they have complied with the requirement in section seventeen of the Charities Act 2011, to have due regard to public benefit in determining the activities undertaken by the charity. As a charity, we are keen to emphasise the public benefit that we believe our work provides. Our wishes are available to any child or young person, aged 3-17, living in the UK, diagnosed as having a life-threatening condition and who has not previously received a wish from another wishgranting organisation.

We are driven by our children's wishes and the needs and concerns of them and their families – hence in almost all cases, our specially trained volunteers meet the child and family in their home environment, to best establish the child's true wish.

We truly believe that every child's wish is different, and their reason for wishing it is unique only to them. Whether that wish is to be a princess or a policeman for a day, own the latest computer equipment, meet a favourite celebrity or just enjoy a special holiday with their family – we strive to make those wishes a magical reality that enriches the child's life at a time when they need it most. It can give them hope for the future in anticipation for their wish to come true, it can provide confidence, a sense of well-being and time with their family to create memories to treasure for them and their whole family. The positive effects of a wish often go further than the wish child and their family – it can impact the child's neighbours and school, members of the local community, celebrities and even the employees of suppliers involved with granting the wish.

Post-wish research is conducted each month to help gauge the impact a wish has on the families and children we work with over the year. The results confirm the transformational effects that one of our wishes can have on the physical, emotional and psychological well-being of a seriously ill child and the high quality of delivery Make-A-Wish provides.

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## **Significant Activities**

### **Wishgranting**

In 2016, we broke a number of records in wishgranting. We had the highest number of children turn to us, over 2,300, and granted wishes to more UK children than ever before – a record-breaking 984 – an increase of 15%.

We also assisted in the granting of 141 wishes from children visiting the UK as part of their wish from other affiliates around the world, meaning we granted a total of 1,125.

Following the instigation of online referrals in 2015, the number of children and young people turning to us continues to grow significantly, but not all referrals are eligible and some initial enquiries are not followed up by the instigator, which is why the conversion rate to wishes granted looks lower than in previous years.

### **Fundraising**

In 2016, our income total was £7,031,367 (2015 - £9,934,741). In order to meet increased demand for wishes, we are seeking to both grow income and utilise our resources more effectively. An example of this was establishing a relationship with a spa pool company to help grant the wishes children want in a more sustainable and cost effective way.

Excluding Text Santa and legacy income, our gross fundraising income grew by £980k, a 21% increase on 2015. Given that our aim is to achieve sustainable growth of wishes and income, it was particularly pleasing that we saw growth across a number of different areas of fundraising.

### **Policies**

We also have conducted reviews of our Privacy, Data Protection and Child Protection policies to ensure that our working practices are not only fully compliant, but that we are following best practice in these important areas.

### **Volunteers and Supporters**

Make-A-Wish® UK was established by volunteers and the contribution of our volunteers is still integral to our work today. Simply put, without volunteers, we cannot deliver our mission.

Volunteers enable us to visit wish children to explore the motivation behind their wish. This helps to ensure that each and every wish has the greatest positive impact on the child and their family. Volunteers help us deliver wishes by moving soil and rubble to make way for a football pitch or playing the role of Father Christmas at short notice. Our Public Speakers and Fundraising Groups raise both awareness of and funds for our wishes. Our team of ad hoc volunteers cheer our runners at events making sure they have the best possible experience of supporting us and volunteers within each team support tasks in the office or contribute their skills remotely. We have 900 registered volunteers, an increase of 30% on 2015, and the hours contributed by volunteers has doubled through more opportunities to get involved and support Make-A-Wish.

We want every one of our volunteers and employees to feel inspired, capable and empowered to help grant magical wishes to children and young people fighting life-threatening conditions.

We have also received substantial support from a number of major corporate partners including ITV's Week of Wishes on This Morning, The Original Factory Shop, Fairy, Angel Springs, Redefine BDL and Next. The dedicated and passionate committees which organise our Winter and Valentine's Balls are responsible for the biggest single fundraising events in the Make-A-Wish calendar.



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We also had over 1,830 people walk, run, cycle or jump out of a plane in order to raise funds for us. To them, and to all those who gave financial and in-kind assistance during the year, including the many celebrities who have supported our activities, we express our sincere thanks – we couldn't grant wishes without you.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable Activities**

<u>Year</u>	<u>Referrals</u>	<u>Number of Wishes</u>	<u>Number of Wish Assists</u>	<u>Total Income (excl. Legacies)</u>	<u>Legacies</u>	<u>Total Income</u>
2009	838	484	93	£5,002,796	£216,981	£5,219,777
2010	1103	584	79	£5,145,295	£368,124	£5,513,419
2011	1294	819	79	£5,823,450	£353,888	£6,177,338
2012	1343	916	128	£5,876,933	£417,901	£6,294,834
2013	1415	893	104	£6,056,607	£343,835	£6,400,442
2014	1180	872	119	£6,835,739	£603,735	£7,439,474
2015	1646	855	131	£9,030,025	£904,715	£9,934,740
2016	2308	984	141	£6,638,895	£392,472	£7,031,367

In 2014 we received income from Primark of £857k. In 2015 we received £3.2m from Text Santa with a further £75k in 2016. Therefore whilst we saw a reduction in the total income figure, income excluding Text Santa and legacies increased by £818k. Over the course of 2017 and beyond, we will continue to focus on increasing our underlying fundraising income as the basis for sustainable growth.

In the first quarter of the year we approved, and therefore provided for, a significant number of wishes to give us a working pipeline. We saw 2,308 children turn to us throughout 2016 and therefore our aim was to grow resources in a sustainable manner whilst utilising them as effectively and efficiently as possible, such as improved purchasing arrangements and investment in our infrastructure and systems, to ensure we can grant a wish to every eligible child who turns to us.

We entered 2016 with an expectation that our relationship with Text Santa would continue. Our original projections were therefore based on this. Later in the year we had confirmation that Text Santa would not continue as an ITV fundraiser, at which point we reviewed our income and wish targets.

We aspire to grant the One True Wish of every child whilst growing the number of children we reach. In order to achieve this we need to provide a broad range of wish types in a sustainable way. Given the demand we experienced in 2016, we temporarily removed certain wish types whilst we sought to establish purchasing arrangements and partnerships with suppliers with whom we could sustainably provide these wishes. We are delighted that, as a result of these discussions, we are already starting to re-introduce certain wish types and will continue to do so during the course of 2017.

The conclusion of the year resulted in 2,308 new enquires to us; 984 UK wish children having their wish granted with a further 141 international children from our sister affiliates having their wish successfully granted with our assistance.

Our target for 2017 is to achieve 2,500 referrals with an aim to grant at least 1,000 wishes.

## **FINANCIAL REVIEW**

### **Financial Performance**

In 2016, Make-A-Wish's total income, including legacies, donations in kind and other non-fundraising income, decreased by 29% (£2,903,373) compared to 2015, but excluding Text Santa the underlying growth was 5% (£305,863). We invested £2,869,501 in raising this income, resulting in a balance of £4,161,866 but actually spent £5,207,156 in support of our core objectives leaving a deficit of £927,922 after investment income. Over the course of the year 64 pence of every pound spent by the charity was on charitable activities, compared to 63 pence in the previous year.

2015 was an exceptional year when the Text Santa partnership with ITV increased income by 33.5%. We found out in 2016 that the relationship would not continue over multiple years as had originally been envisaged. However, whilst legacy income was unusually low in 2016 at £392,472 (2015 - £904,715), underlying growth in fundraising excluding donations in kind, Text Santa and legacies was 21% so we are confident that we are on track to achieve our £10 million turnover goal by 2019.

The cash position looks healthy in relation to Reserves at £3,746,732 as at 31 December (£2,164,614 in 2015); this is partly due to our policy of providing for wishes as soon as they are approved, whilst the cash needed to deliver the wish will be required in a later period.

The charity's wholly owned trading subsidiary, Make-A-Wish Promotions Limited, achieved profit of £371,058 (2015 - £469,542). All the profit was gift aided to Make-A-Wish Foundation UK.

### **Reserves Policy**

The Trustees reviewed the reserves policy in 2015 to ensure it both represents the charity's requirements and meets with the Charity Commission's recommendations.

At the balance sheet date, the total reserves were £5,174,169, all of which can be used in line with objects of the charity. This figure has already taken into account our commitment towards wishes approved but not yet granted, where we make a full provision for all anticipated costs still to be incurred. In 2016, this amounted to 532 wishes totalling £1,451,730 (2015 - 602 wishes: £1,933,467).

Following this principle we continue to ensure we are able to meet our commitments to those children who have been referred to the charity but who have not yet reached the stage of having a wish approved. The Applications Fund of £761,299 represents the estimated costs of applications in progress as at the end of 2016 (2015 - £1,189,257 was included in the Designated Wish Fund). We never want to be in a position where we are unable to grant wishes to children who turn to Make-A-Wish due to lack of funding, so we continue to have a Support Fund to cover the direct overheads required to deliver all wishes at any stage of the granting process. In 2016 this is £2,434,584, whereas in 2015 this was included in the Designated Wish Fund. Consistent with previous years, the Trustees also have a Fixed Assets Fund (including the charity's operational headquarters in Camberley) and have transferred the funds tied up in the charity's fixed assets to this designated reserve. Taken together, these measures mean that the balance classified as general reserves at 31 December 2016 was £1,297,040 (2015 - £1,732,144).

In 2016 we received several donations that were restricted to a specific purpose that were not fully spent by the end of the year. These are shown in a new Restricted Funds reserve on the balance sheet – see note 21 for the detail. It is anticipated that these funds will be fully spent by the end of 2017.

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	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Applications Fund	761,299	-
Support Fund	2,434,584	575,004
Asset Fund	475,107	510,310
Designated Wish Fund	-	3,284,632
Restricted Funds	206,139	
General Reserves	1,297,040	1,732,144
Total Reserves	<u>5,174,169</u>	<u>6,102,090</u>

The general reserves are required by the charity to meet its objectives of granting further wishes, to provide working capital to aid completion of its long-term development objectives, to protect its current activities and to allow the Trustees to meet their responsibilities and ensure that the charity continues on a going concern basis. With that in mind, the Reserves Policy requires that general reserves will cover a minimum of 6 months overheads; currently our general reserves represent 7 months of our overheads (2015 - 9 months).

**Going Concern**

The Trustees constantly examine the needs, risks, challenges and prospects faced by the charity and consider these reserves commensurate with the Foundation's requirements for the foreseeable future.

**Principal Funding Sources**

Make-A-Wish has a broad funding base, attracting support from a wide range of sources, including corporate supporters (large and small), individual donors (giving on either an ad hoc basis or in a more regular way), fundraising events, individual and group challenge activities, community and volunteer fundraising groups, legacies and recycling schemes.

The Trustees recognise the importance of developing and maintaining a variety of sources of revenue, thus providing continued stability of income in the future. Maintaining this breadth and variety of income source will remain a key component of our long term fundraising strategy.

**Investment Policy and Performance**

A significant amount of the reserves are invested in a relatively liquid portfolio managed by Barclays Wealth, a division of Barclays. They are instructed to invest to maximise long term growth within the constraints of a low risk investment portfolio. The Trustees approved an Investment Policy in February 2014, which set out revised investment parameters in line with the charity's cash management requirements and confirmed the governance structure that provides transparency over the investments and their levels of financial return.

Investment performance is monitored regularly and reported quarterly to the Trustees. The portfolio is managed through active managers and index tracking investments and achieved gross annual growth in 2016 of 8.5%. This is slightly below the Barclays Wealth benchmarks, which have subsequently been adjusted to more accurately reflect the low risk profile and asset allocation of our portfolio.

## **FUTURE DEVELOPMENTS**

### **2017 and Beyond**

We aspire to achieve the following strategic goals by 2019:

Goal 1: To deliver the most impactful wishes

Goal 2: To grant 1,500 wishes

Goal 3: For wishes to be recognised as an integral part of a child's treatment plan

Goal 4: To generate turnover of £10m

We aim to reach more children whilst ensuring that every one of our wishes makes more of a difference to children with life threatening conditions, and ensure that every wish has a lasting impact. What we do makes a difference. In 2016 we saw a significant increase in parents applying for a wish on behalf of their child although many of these initial enquiries were not taken further by the applicant for various reasons.

At our meeting on 5 February 2017 the Trustees approved a 3 Year Plan for 2017- 2019 which aims to achieve turnover of £10 million and granting 1,500 wishes a year by 2019.

Within the context of the 2017-19 plan our key priorities for 2017 are:

- Grant 1,000 wishes
- Review and improve wish capture in conjunction with volunteers

A key element of the 2017-19 plan is the establishment of a new wish journey to enable us:

- To improve our ability to gain insight into the child's dreams and motivations in order to help them identify their One True Wish
- To provide the basis for a more creative process of wish design, driven by the child
- To work in a more collaborative manner with volunteers, partners and local communities to grant wishes
- To strengthen our ability to measure, and learn from, the impact of a wish

The first step in this process will be to review and improve our depth of understanding of each individual child. We call this Wish Capture.

## **PRINCIPAL RISKS & UNCERTAINTIES**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A risk register is maintained and formally reviewed by the Trustees annually and more frequently on an informal basis by the senior management team.

The Trustees consider the principal risks and uncertainties to be:

- A potential contraction in the fundraising market due to tighter regulation
- Our ability to grow and sustain income in line with the growth in our referrals
- Our ability to grant 1,500 impactful wishes by 2019
- Our ability to continue to increase the impact of our wishes without increasing average wish costs

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We are looking at ways to address the above risks by:

**Fundraising** – growing income across a diverse range of sources whilst establishing a range of strategic partnerships

**Growth of wishes** – investing in people, systems and improved processes

**Impact** – implementing a new wish journey to increase the impact of our wishes

**Child Protection** – implementing a child protection policy to ensure we are always child focused and keep their protection as a key priority

**Volunteers** – growing our volunteer base and deepening their engagement across all areas of the organisation

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees, who are also directors of the charitable company, are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and group enabling them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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**AUDITORS**

The auditors, haysmacintyre, will be proposed for reappointment at the next Annual General Meeting.

Report of the Trustees incorporating the Strategic Report has been approved and authorised for issue by the Board.

**ON BEHALF OF THE BOARD:**



P Harkjaer – Chair of Trustees

Date: 24 MARCH 2017

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF MAKE-A-WISH**  
**FOUNDATION UK**  
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We have audited the financial statements of Make-A-Wish Foundation UK for the year ended 31 December 2016 which comprises the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

#### **Respective Responsibilities of Trustees and Auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the Audit of the Financial Statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on Financial Statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2016 and of the group's and the parent charitable company's net movement in funds, including the group's and the parent income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' Annual Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

**MAKE-A-WISH FOUNDATION® UK  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF MAKE-A-WISH  
FOUNDATION UK  
YEAR ENDED 31 DECEMBER 2016**

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In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company and group have not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the consolidated charitable company's financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Tracey Young, Senior Statutory Auditor  
For and on behalf of haysmacintyre, Statutory Auditors

26 Red Lion Square  
London  
WC1R 4AG

Date: 24 MARCH 2017



**MAKE-A-WISH FOUNDATION® UK**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE CONSOLIDATED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2016**

	Notes	Unrestricted Funds £	Restricted Funds £	2016 £	2015 £
<b>INCOME AND EXPENDITURE</b>					
<b>INCOME FROM</b>					
Donations and legacies	<b>3</b>	3,685,797	230,596	3,916,393	7,155,821
Charitable activities	<b>4</b>	32,353	-	32,353	29,499
Other trading activities	<b>5</b>	3,040,521	-	3,040,521	2,715,724
Investment income	<b>6</b>	42,100	-	42,100	33,697
<b>Total</b>		<u>6,800,771</u>	<u>230,596</u>	<u>7,031,367</u>	<u>9,934,741</u>
<b>EXPENDITURE ON</b>					
Raising funds	<b>7</b>	2,869,501	-	2,869,501	2,943,429
Charitable activities	<b>8</b>	5,182,698	24,457	5,207,155	5,076,983
<b>Total</b>		<u>8,052,199</u>	<u>24,457</u>	<u>8,076,656</u>	<u>8,020,412</u>
<b>Net (expenditure)/income before gains/(losses) on investments</b>		<b>(1,251,428)</b>	<b>206,139</b>	<b>(1,045,289)</b>	<b>1,914,329</b>
Net gains/(losses) on investments	<b>15</b>	117,368	-	117,368	(8,036)
<b>Net movement in funds</b>		<u><b>(1,134,060)</b></u>	<u><b>206,139</b></u>	<u><b>(927,921)</b></u>	<u><b>1,906,293</b></u>
<b>Reconciliation of funds</b>					
Total funds brought forward		6,102,091	-	6,102,091	4,195,797
<b>Total funds carried forward</b>		<u><b>4,968,030</b></u>	<u><b>206,139</b></u>	<u><b>5,174,169</b></u>	<u><b>6,102,091</b></u>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

Except for gains/(losses) on investments, there is no difference from the results above and the historical cost position.

The comparative figures for 2015 were unrestricted.

The notes on pages 18 to 32 form part of these accounts.

	Notes	Group		Charity	
		2016 £	2015 £	2016 £	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	<b>14</b>	475,107	510,310	475,107	510,310
Investments	<b>15</b>	1,540,078	1,368,795	1,540,078	1,368,796
		<u>2,015,185</u>	<u>1,879,105</u>	<u>2,015,185</u>	<u>1,879,106</u>
<b>CURRENT ASSETS</b>					
Stock	<b>17</b>	46,388	46,724	46,388	46,724
Debtors	<b>18</b>	1,694,371	4,969,844	1,753,370	4,938,612
Cash at bank and in hand		3,746,732	2,164,614	3,657,112	2,140,231
		<u>5,487,491</u>	<u>7,181,182</u>	<u>5,456,870</u>	<u>7,125,567</u>
<b>CREDITORS: amounts falling due within one year</b>	<b>19</b>	<u>(2,328,507)</u>	<u>(2,958,197)</u>	<u>(2,297,886)</u>	<u>(2,902,583)</u>
<b>NET CURRENT ASSETS</b>		<u>3,158,984</u>	<u>4,222,986</u>	<u>3,158,984</u>	<u>4,222,984</u>
<b>NET ASSETS</b>		<u><b>5,174,169</b></u>	<u><b>6,102,090</b></u>	<u><b>5,174,169</b></u>	<u><b>6,102,090</b></u>
<b>FUNDS</b>					
General funds	<b>21</b>	1,297,040	1,732,144	1,297,040	1,732,144
Restricted funds		206,139	-	206,139	-
Designated funds		3,670,990	4,369,946	3,670,990	4,369,946
<b>TOTAL FUNDS</b>	<b>22</b>	<u><b>5,174,169</b></u>	<u><b>6,102,090</b></u>	<u><b>5,174,169</b></u>	<u><b>6,102,090</b></u>

The net movement in funds for the year relating to the parent charity alone amounted to (£927,921).

The financial statements were approved and authorised for issue by the Board of the Trustees on 24/03/17 and were signed below on its behalf by:



Trustee – P Harkjaer

The notes on pages 18 to 32 form part of these accounts.

**MAKE-A-WISH FOUNDATION® UK  
GROUP CASH FLOW STATEMENT  
YEAR ENDED 31 DECEMBER 2016**

	Notes	2016		2015	
		£	£	£	£
<b>Cash used in operating activities</b>	a.		1,617,429		35,143
<b>Cash flows from investing activities</b>					
Interest and dividend income		42,100		33,697	
Purchase of tangible fixed assets		(24,838)		(58,588)	
Proceeds from sale of tangible fixed assets		1,341			
Purchase of investments		(427,608)		(800,075)	
Proceeds from sale of investments		373,694		316,589	
<b>Cash provided by investing activities</b>			(35,311)		(508,377)
(Decrease)/increase in cash and cash equivalents in the year			1,582,118		(473,233)
<b>Cash and cash equivalents at the beginning of the year</b>			2,164,614		2,637,848
<b>Total cash and cash equivalents at the end of the year</b>			3,746,732		2,164,614

**NOTES TO THE CASH FLOW STATEMENT**

a. Reconciliation of net movement in funds to the net cash outflow from operating activities	2016 £	2015 £
Net movement in funds	(927,921)	1,906,293
(Gains)/Losses on investments	(117,368)	8,036
Depreciation charges	58,700	59,141
Interest and investment income receivable	(42,100)	(33,697)
(Increase) in debtors	3,275,472	(2,863,145)
Decrease/(increase) in stock	336	11,639
Increase/(decrease) in creditors	(629,690)	946,876
Net cash inflow from operating activities	1,617,429	35,143

## **1 ACCOUNTING POLICIES**

### **Basis of Preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Make-A-Wish Foundation® UK meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

### **Judgements and estimates**

Judgements made by the Trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the valuation of investments and are discussed below.

### **Preparation of the accounts on a going concern basis**

Preparation of the accounts is on a going concern basis. The Trustees are of the view that the level of reserves will support the charity going forward.

### **Basis of Consolidation**

The financial statements consolidate the results of the charity and its wholly owned subsidiary Make-A-Wish Promotions Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

### **Income**

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

### **Donations and legacies**

Donations income is accounted where there is entitlement, probability and it is measurable. For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate.

### **Generating Funds**

Income is accounted for on a cash received and accruals of known income basis unless related to an event scheduled to take place in a later accounting period in which case it is deferred until after the event has taken place. The main sources of income are analysed in the notes. The subsidiary income represents net invoiced sales of services, excluding value added tax and is included in the profit and loss account as it is earned.

### **Investment Income**

Investment income reflects the amount receivable for the year.

### **Expenditure**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

**Irrecoverable Value Added Tax (VAT)**

Expenditure on which there is irrecoverable VAT is shown within each relevant cost category gross of VAT.

**Raising Funds**

These costs are incurred in relation to the fundraising events which are organised throughout the United Kingdom. As well as the direct costs associated with each event, costs are included in relation to staff members who are engaged directly in fundraising events, publicity campaigns to generate income and an appropriate proportion of their use of shared facilities and central services.

**Charitable Activities**

Liabilities for wishgranting expenses are recognised as expenditure as soon as there is a specific commitment creating an obligation and an expectation that a wish will be fulfilled. The liabilities at the balance sheet date are included as creditors due within one year.

**Gifts in Kind**

The Foundation receives the benefit of work carried out by volunteers, the value of which is not included in these accounts. Gift in kind income represents various goods/services donated free of charge. The income is included when it can be reliably valued.

**Cost of Administration**

These costs are allocated to cost of raising funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

**Governance Costs**

Governance costs have been allocated in line with cost of administration and include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

**Leases**

Payments under operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

**Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost of freehold buildings
Improvements to property	- 25% on cost
Office equipment	- 33% on cost
Computer equipment	- 25% on cost
Computer software	- 33% on cost

Computer equipment and software are combined for reporting.

Tangible fixed assets bought by the company have been capitalised at the minimum amount of £100 for individual assets. Assets donated during the year have been capitalised at their estimated purchase cost.

On transition to FRS 102, the charitable company elected to use the previous valuation of land and buildings as at 31 December 2013 as the deemed cost for that asset.

**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

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**Foreign Exchange**

Foreign currency transactions for income and expenditure are accounted for at an average weekly exchange rate at the point of recognition in the accounts. Any difference at the date of payment is treated as an exchange gain/loss.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Investments**

Investments are included in the financial statements at market value at the balance sheet date. Realised and unrealised gains and losses on revaluation and disposals occurring in the year are reported in the Statement of Financial Activities.

**Fund Accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. The designated funds represents funds earmarked for specific reasons as decided by the Trustees. Further explanation of the nature and purpose of the each fund is included in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

**Financial Instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account or matures within three months of the date of the balance sheet.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

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**Employee benefits**

- **Short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

- **Employee termination benefits**

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

**2 LEGAL STATUS OF THE CHARITY**

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**3 INCOME FROM DONATIONS AND LEGACIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2016 £</b>	<b>2015 £</b>
Donations	2,713,502	230,596	2,944,098	2,379,000
Legacies	392,472	-	392,472	904,715
Donations in kind	504,427	-	504,427	587,474
Donations in relation to Text Santa	75,396	-	75,396	3,284,632
	<u>3,685,797</u>	<u>230,596</u>	<u>3,916,393</u>	<u>7,155,821</u>

**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

**4 INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2016 £</b>	<b>2015 £</b>
Fee from international affiliates	<u>32,353</u>	<u>-</u>	<u>32,353</u>	<u>29,499</u>

**5 INCOME FROM OTHER TRADING ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2016 £</b>	<b>2015 £</b>
Fundraising events	2,617,108	-	2,617,108	2,199,614
Shop income	44,638	-	44,638	43,478
Subsidiary's income	378,775	-	378,775	472,632
	<u>3,040,521</u>	<u>-</u>	<u>3,040,521</u>	<u>2,715,724</u>

**6 INVESTMENT INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2016 £</b>	<b>2015 £</b>
Dividends	25,833	-	25,833	18,914
Deposit account interest	16,267	-	16,267	14,783
	<u>42,100</u>	<u>-</u>	<u>42,100</u>	<u>33,697</u>



**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

**7 EXPENDITURE ON RAISING FUNDS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Donations &amp; Legacies</b>		
Direct fundraising costs	430,986	625,840
Agency & professional fees	33,382	28,793
Postage and stationary	24,097	23,763
Staff & related costs	1,120,925	902,031
Staffing costs	24,302	57,202
Subscriptions	8,270	9,267
Telephone	8,115	7,609
Travelling	43,289	50,341
Sundry expenses	666	1,324
Website costs	10,048	10,491
Office costs	84,850	60,916
Legal & professional	4,926	6,620
Finance costs	10,804	10,663
	<u>1,804,660</u>	<u>1,794,860</u>
<b>Other trading activities</b>		
Direct fundraising costs	749,859	715,788
Agency & professional fees	14,307	10,591
Postage and stationary	8,494	10,475
Merchandise	19,676	20,701
Staff & related costs	194,787	280,532
Staffing costs	9,577	28,761
Subscriptions	4,971	4,401
Telephone	1,804	2,099
Travelling	11,045	12,256
Sundry expenses	104	283
Website costs	9,516	15,808
Office costs	34,005	24,574
Legal & professional	2,111	2,580
Finance costs	4,585	4,889
Bad debts	-	14,831
	<u>1,064,841</u>	<u>1,148,569</u>
	<u>2,869,501</u>	<u>2,943,429</u>

**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

**8 EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Wishgranting expenses</b>				
Travel	597,878	4,460	602,338	525,151
Accommodation	1,346,567	7,513	1,354,080	1,118,758
Spending allowance and direct costs	422,669	1,386	424,055	340,688
Insurance	59,977	-	59,977	58,859
Wish items and sundries	994,179	11,098	1,005,277	816,209
Movement in provision for wishes in progress	(481,737)	-	(481,737)	527,027
	<u>2,939,533</u>	<u>24,457</u>	<u>2,963,990</u>	<u>3,386,692</u>
<b>Donations in Kind</b>				
Travel	23,610	-	23,610	28,271
Accommodation	148,482	-	148,482	200,019
Wish items and sundries	270,538	-	270,538	253,810
	<u>442,630</u>	<u>-</u>	<u>442,630</u>	<u>482,100</u>
<b>Other</b>				
Payments to affiliates	-	-	-	(28,639)
Support costs (note 9)	1,800,535	-	1,800,535	1,236,830
	<u>1,800,535</u>	<u>-</u>	<u>1,800,535</u>	<u>1,208,191</u>
	<u>5,182,698</u>	<u>24,457</u>	<u>5,207,155</u>	<u>5,076,983</u>

**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

**9 ANALYSIS OF SUPPORT COSTS**

	<b>Staff and related costs £</b>	<b>Other direct costs £</b>	<b>2016 Total £</b>	<b>2015 Total £</b>
<b>Wishgranting support costs</b>				
International registration fee	-	282,911	282,911	97,518
Administration costs	-	50,999	50,999	37,793
Finance	-	9,032	9,032	13,826
Office costs	1,171,964	271,348	1,443,312	1,073,223
Governance costs (below)	-	14,281	14,281	14,470
	<u>1,171,964</u>	<u>628,571</u>	<u>1,800,535</u>	<u>1,236,830</u>
			<b>2016 £</b>	<b>2015 £</b>
<b>Governance costs</b>				
Accountancy fees			3,031	2,610
Auditors' remuneration			11,250	11,860
			<u>14,281</u>	<u>14,470</u>

**10 NET INCOME FOR THE YEAR**

	<b>2016 £</b>	<b>2015 £</b>
This is stated after charging:		
Operating leases - equipment	8,735	9,200
Bank interest payable	-	-
Auditors' remuneration	11,250	11,860
Accountancy fees	3,031	2,610
Depreciation - owned assets	<u>58,700</u>	<u>59,141</u>

**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

**11 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Salaries	2,040,775	1,585,752
Social security costs	205,630	154,436
Pension costs	114,083	76,620
Redundancy costs	35,473	14,833
	<u>2,395,961</u>	<u>1,831,641</u>

The number of higher paid staff whose taxable emoluments fell into higher salary bands was:

	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>
£60,001 to £70,000	4	1
£70,001 to £80,000	1	2
£80,001 to £90,000	<u>1</u>	<u>-</u>

Total pension payments for higher paid employees were £20,283 paid to 6 employees (2015 - £10,661 paid to 3 employees).

There were no Trustees' remuneration or other benefits for the year ended 31 December 2016, nor for the year ended 31 December 2015.

During the year £nil was reimbursed to the Trustees (2015 - £nil).

The key management personnel of the charity, and the group, comprises the trustees, the Chief Executive Officer, Director of Finance, Director of Fundraising, Director of Wishgranting, Director of Operations, Director of H.R. & Volunteering, Director of Digital & Marketing and Head of Communications. The total employee benefits of the key management personnel of the charity were £607,984 (2015 - £402,700). In 2015 the Senior Management Team was made up of the Chief Executive, 2 Directors and 2 Heads of Department.

**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

**12 STAFF NUMBERS**

The average number of employees analysed by activity:

	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>
Wishgranting and Communications	27	26
Administration	11	10
Fundraising & Volunteer Management	33	33
	<u>71</u>	<u>69</u>

**13 CORPORATION TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**14 TANGIBLE FIXED ASSETS - Charity (also comprising that of the group)**

	<b>Freehold Property</b>	<b>Improvem -ent to Property</b>	<b>Office Equipment</b>	<b>Computer Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>					
At 1 January 2016	470,000	58,126	77,167	275,189	880,482
Additions	-	-	5,486	19,352	24,838
Disposals	-	-	(1,341)	-	(1,341)
<b>At 31 December 2016</b>	<u>470,000</u>	<u>58,126</u>	<u>81,312</u>	<u>294,541</u>	<u>903,979</u>
<b>Accumulated depreciation</b>					
At 1 January 2016	57,600	58,126	45,995	208,451	370,172
Depreciation charge for year	9,400	-	13,508	35,792	58,700
<b>At 31 December 2016</b>	<u>67,000</u>	<u>58,126</u>	<u>59,503</u>	<u>244,243</u>	<u>428,872</u>
<b>Net book value</b>					
At 31 December 2016	<u>403,000</u>	<u>-</u>	<u>21,809</u>	<u>50,298</u>	<u>475,107</u>
At 31 December 2015	<u>412,400</u>	<u>-</u>	<u>31,172</u>	<u>66,738</u>	<u>510,310</u>

**MAKE-A-WISH FOUNDATION® UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

**15 FIXED ASSET INVESTMENTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Group and Charity</b>		
<b>Market Value</b>		
At 1 January	1,368,796	893,346
Additions at cost	427,608	800,075
Disposal proceeds	(373,694)	(316,589)
Realised gain on investments	1,129	524
Unrealised gain/(loss) on investments	<u>116,239</u>	<u>(8,560)</u>
At 31 December	<u>1,540,078</u>	<u>1,368,796</u>
<b>Historical cost</b>		
At 31 December	<u>1,437,320</u>	<u>1,370,255</u>
<b>Charity only</b>		
Shares in group subsidiary	<u>1</u>	<u>1</u>

The charity holds the entire £1 share capital of its trading subsidiary, Make-A-Wish Promotions Limited.

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**16 RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARIES**

The charity has two wholly owned trading subsidiaries, Make-A-Wish Promotions Limited (Promotions) and Make-A-Wish Limited, both of which are incorporated in Great Britain. The registered office of both organisations are the same as that of the charity.

Promotions undertake collection of old clothing and commercial sponsorship from a range of corporate partnerships. A summary of the results of Promotions is shown below.

Make-A-Wish Limited is dormant.

Audited financial statements have been filed with the Registrar of Companies.

<b>Make-A-Wish Promotions Limited</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Summary Profit and Loss Account</b>		
Turnover	378,775	472,632
Cost of sales	<u>-</u>	<u>-</u>
<b>Total gross profit</b>	378,775	472,632
Administrative expenses	<u>(2,901)</u>	<u>(3,090)</u>
<b>Operating profit for the year</b>	375,874	469,542
Gift Aid payment to parent company	(375,874)	(469,542)
Tax	<u>-</u>	<u>-</u>
<b>Retained profit for the year</b>	<u>-</u>	<u>-</u>
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
The assets and liabilities:		
Current assets	288,814	339,503
Current liabilities	<u>(288,813)</u>	<u>(339,502)</u>
Total net assets	<u>1</u>	<u>1</u>
Aggregate share capital and reserves	<u>1</u>	<u>1</u>

**17 STOCKS**

	<b>Group and Charity</b>	
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Finished goods	<u>46,388</u>	<u>46,724</u>

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**18 DEBTORS**

	Group		Charity	
	2016 £	2015 £	2016 £	2015 £
Trade debtors	315,097	354,224	170,618	64,106
Prepayments and accrued income	1,379,274	4,615,620	1,324,559	4,590,618
Amounts owed by group undertakings	-	-	258,193	283,888
	<u>1,694,371</u>	<u>4,969,844</u>	<u>1,753,370</u>	<u>4,938,612</u>

**19 CREDITORS: amounts falling due within one year**

	Group		Charity	
	2016 £	2015 £	2016 £	2015 £
Trade creditors	465,292	304,497	465,292	304,497
Social security and other taxes	85,164	100,446	57,548	47,838
Committed wishes	1,451,730	1,933,467	1,451,730	1,933,467
Other creditors and accrued expenses	172,841	476,606	169,836	473,600
Deferred income	153,480	143,181	153,480	143,181
	<u>2,328,507</u>	<u>2,958,197</u>	<u>2,297,886</u>	<u>2,902,583</u>

Deferred income represents fundraising income in relation to future events. Income is fully released in the following financial year when the event takes place.

At 31 December 2016 the committed wishes creditor represented 532 wishes at an average cost of £2,729 (2015 - 602 at an average cost of £3,211).

**20 OPERATING LEASE**

As at 31 December the group had annual commitments under operating leases as set out below:

	Equipment	
	2016 £	2015 £
< 1 year	4,727	4,727
2 - 5 years	<u>8,273</u>	<u>13,000</u>
	<u>13,000</u>	<u>17,728</u>



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**21 ANALYSIS OF CHARITABLE FUNDS**

	<b>Balance 1 January 2016 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains &amp; Transfers £</b>	<b>Balance 31 December 2016 £</b>
<b>Unrestricted funds</b>					
General fund	1,732,144	6,800,771	(8,052,199)	816,324	1,297,040
<b>Restricted funds</b>					
Kentown Wizard	-	200,000	(6,889)	-	193,111
Cash for Kids N.I	-	20,000	(6,972)	-	13,028
Community Engagement	-	9,916	(9,916)	-	-
Crowthorne Village Singers	-	680	(680)	-	-
	<u>-</u>	<u>230,596</u>	<u>(24,457)</u>	<u>-</u>	<u>206,139</u>
<b>Designated funds</b>					
Fixed asset fund	510,310	-	-	(35,203)	475,107
Support fund	575,004	-	-	1,859,580	2,434,584
Applications fund	-	-	-	761,299	761,299
Designated wish fund	3,284,632	-	-	(3,284,632)	-
	<u>4,369,946</u>	<u>-</u>	<u>-</u>	<u>(698,956)</u>	<u>3,670,990</u>
<b>Total funds</b>	<u><b>6,102,090</b></u>	<u><b>7,031,367</b></u>	<u><b>(8,076,656)</b></u>	<u><b>117,368</b></u>	<u><b>5,174,169</b></u>

<b>Name of fund</b>	<b>Description, nature and purpose of fund</b>
Kentown Wizard	Funding for Disneyland Paris wishes.
Cash for Kids N.I	Funding for wishes for children with cancer living in Northern Ireland.
Community Engagement	Support from local communities, volunteers and partners towards three wishes.
Crowthorne Village Singers	Contribution towards a specific wish.
General fund	The 'free reserves' after allowing for all designated funds.
Fixed asset fund	Reflects the net book value of assets not available for immediate conversion to cash.
Support fund	Reflects the direct support costs of carrying out those wishes and applications in progress over one year.
Applications fund	Funds for applications received based on the conversion to wishes percentage at the average cost of wishes in progress at the end of the financial year.
Designated wish fund	Funds raised by Text Santa in 2015 (Primark in 2014) to grant wishes in the following year.

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**22 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

Fund balances at 31 December 2016 are represented by:

	<b>Restricted funds £</b>	<b>Designated funds £</b>	<b>General funds £</b>	<b>Total funds £</b>
Tangible fixed assets	-	475,107	-	475,107
Investments	-	-	1,540,078	1,540,078
Current assets	206,139	5,184,537	96,815	5,487,491
Current liabilities	-	(1,988,654)	(339,853)	(2,328,507)
<b>Total net assets</b>	<u>206,139</u>	<u>3,670,990</u>	<u>1,297,040</u>	<u>5,174,169</u>

**23 RELATED PARTY TRANSACTIONS**

At the year end £258,193 was due from Make-A-Wish Promotions Limited (2015 - £283,888).